



# Live to dream

Fluent in protecting legacies



# Product highlights

The foreign national population, those who are non-U.S. citizens, may be larger than you think. While gateway cities such as Los Angeles and Miami have a high concentration of foreign-born individuals, this growing and underserved market is not limited to those regions. In fact, the Center for Immigration Studies estimates there are over 51 million foreign-born residents in the United States, making up over 15% of the population.<sup>1</sup>

Whether U.S. residents or non-U.S. residents, foreign nationals have similar life insurance needs, including income protection, wealth transfer, and business planning needs. These individuals typically already do business and/or own property in the U.S. and may have family living here. However, they may not have access to similar products in their country of origin.

## Desire for U.S.-based life insurance coverage

U.S.-based life insurance policies offer multiple benefits and features that may not be available with non-U.S. life insurance companies. Typically, foreign nationals seek out U.S. life insurance for five main reasons:

1. Obtain coverage from well-capitalized insurers
2. Secure large amounts of death benefit protection
3. Pay competitive insurance premium costs
4. Balance holdings in overseas assets
5. Address wealth planning needs

Life insurance policies can also help cover final expenses, fund education, and even leave a tax-free inheritance for the next generation. As a foreign national, owning a U.S.-based life insurance policy may be essential in protecting their family's financial future.

## Helping clients from all walks of life

As one of the first life insurance companies to focus on international underwriting with a dedicated team, Transamerica has the experience and range of solutions to help you navigate the potential complexity of foreign national cases. Our 30-plus years of foreign national experience can help you and your clients find a way to protect their legacy.

## Eligibility requirements

Foreign nationals can apply for life insurance with Transamerica if they have a Social Security number (SSN), an individual taxpayer identification number (ITIN), substantial ties to the U.S., or particular U.S. visas. Various factors determine eligibility, including country of origin, residency status, and overseas travel frequency. Transamerica maintains a list of approved countries to assess the political and social stability of an insured's country of origin and uses the application information obtained solely for life insurance

<sup>1</sup> "Foreign-Born Population Grew by 5.1 million in the Last Two Years," Center for Immigration Studies, May 13, 2024



# 3 available programs

Transamerica embraces foreign nationals with three standardized application programs. There are several considerations for underwriting foreign nationals, including:

- Prior country of residence
- Maximum death benefit available
- Financial or other connections to the U.S.
- Available underwriting categories
- Overseas travel considerations and limitations
- Restrictions regarding solicitation and medical exams

Below are highlights around each of Transamerica's application programs.

## ITIN Program

For foreign nationals in the U.S. who often do not have a U.S. visa but have an ITIN typically starting with the number nine. Underwriting is subject to the insured's country of origin. Many insurers require a presence in the U.S. for at least three years, while others require five or more years.

## U.S. visa holders

For student visa holders, employees of multinational companies, or those working for a U.S. company in a specialty type of industry such as engineering or information technology. Underwriting is still subject to the insured's country of origin; however, no length of time is required for presence in the U.S.

## Nonresident aliens

Typically used for higher net worth individuals who spend no more than six months in the U.S. and are classified as "non-citizens" and "nonresidents," these individuals are more commonly referred to as nonresident aliens ("NRAs"). NRAs have unique issues regarding U.S. federal estate planning that require careful consideration.

The following case studies will demonstrate common scenarios in each of the three foreign national markets.

## ITIN hypothetical case study

Ms. Gomez is a 35-year-old female who has been issued an ITIN and has resided in the U.S. for six years. She is the primary primary source of income for in her family and is concerned about their financial stability if she were to pass away unexpectedly. Ms. Gomez purchases a *Transamerica Financial Foundation IUL® II* (FFIUL II) policy to gain permanent death benefit protection and access to policy cash value if needed. She will pay monthly premiums of \$390 until age 65 with an initial face amount of \$500,000.<sup>1</sup>

### FFIUL II summary values

Year	Age	Cumulative Premium	Cash Surrender Value	Death Benefit
1	35	\$4,680	\$0	\$500,000
10	45	\$46,800	\$39,657	\$500,000
20	55	\$93,600	\$126,129	\$500,000
30	65	\$140,400	\$283,349	\$500,000

## U.S. visa holder case study

Mr. Singh is a 45-year-old male with an H1-B Visa and is employed in the U.S. as a software engineer. He has been residing in the U.S. for just over one year and desires to protect his income with a life insurance policy to benefit his wife if he were to pass away. Mr. Singh purchases a *Transamerica Financial Choice IUL<sup>SM</sup> II* (FCIUL II) policy to gain permanent death benefit protection and access to policy cash value if needed to supplement his income. He will pay annual premiums of \$20,000 for only the first 10 policy years,<sup>1,2</sup> paying no premiums thereafter. He applies for a policy with a minimum non-MEC initial face amount of \$264,000.<sup>3</sup>

### FFIUL II summary values

Year	Age	Cumulative Premium	Cash Surrender Value	Death Benefit
1	45	\$20,000	\$11,616	\$282,148
10	55	\$200,000	\$241,013	\$505,013
20	65	\$200,000	\$441,137	\$634,050
30	75	\$200,000	\$829,573	\$1,037,406

<sup>1</sup> Loans, withdrawals, and death benefit accelerations will reduce the policy value and the death benefit and may increase lapse risk. Policy loans are tax-free provided the policy remains in force. If the policy is surrendered or lapses, the amount of the policy loan will be considered a distribution from the policy and will be taxable to the extent that such loan plus other distributions at that time exceed the policy basis.

<sup>2</sup> Clients may access the policy's cash value to receive tax-free supplemental income when needed, as long as the policy is not a modified endowment contract (MEC).

<sup>3</sup> Subject to the premiums paid into the policy and whether the policy is in force. Premiums may be increased, decreased, skipped, or stopped altogether if there is enough policy value. The risk of a policy lapsing increases if the client does not regularly pay premiums equal to at least the current minimum monthly no lapse premium. Clients should consult with their tax advisor for guidance.





## High net worth foreign national case study

Mr. Chu is a 65-year-old nonresident alien (“NRA”) and real estate developer who frequently visits Miami with his family. While Mr. Chu and his wife are considered NRAs, his daughter is a U.S. citizen. In addition to his home in Miami, Mr. Chu owns multiple vacation rental properties in the U.S. that he uses to generate extra income. The value of his U.S. real estate is \$3 million, which will be subject to U.S. estate tax at Mr. Chu’s death. Mr. Chu would like his family to inherit his real estate properties but currently lacks the liquidity to pay the estimated U.S. estate tax on the properties in the future. Upon his death, Mr. Chu’s family would have nine months, plus a possible six-month extension, to pay the estate tax due on his properties.

### Projected future estate taxes assuming 6% growth over 15 years

Current Value of Mr. Chu’s U.S.-based Properties	<b>\$3,000,000</b>
Projected Future Value	<b>\$7,189,675</b>
Allowable U.S. Estate Tax Exemption	<b>(\$60,000)</b>
Taxable Estate at Mr. Chu’s Death	<b>\$7,129,675</b>
Estimated 40% U.S. Estate Tax Rate	<b>\$2,851,870</b>
Value of Properties After Estate Tax	<b>\$4,277,805</b>

To have liquidity to pay estimated estate taxes on his U.S.-based property, Mr. Chu purchases a FCIUL II policy to gain permanent death benefit protection and access to policy cash value, if needed. Mr. Chu will pay annual premiums of \$239,250 for five years with an initial face amount of \$2,855,000.<sup>1,2</sup>

The death benefit of a U.S. life insuring policy insuring the life of an NRA which is owned by the insured NRA is not U.S. situs property and, therefore, is not typically includible in the U.S. gross estate of the decedent Nonresident Alien. This is only true if the insured Nonresident Alien is the policy owner.\*

### FCIUL II summary values

Year	Age	Cumulative Premium	Cash Surrender Value	Death Benefit
1	65	\$239,250	\$96,486	\$2,855,000
10	75	\$1,196,250	\$1,416,838	\$2,855,000
20	85	\$1,196,250	\$2,254,152	\$2,855,000
30	95	\$1,196,250	\$3,847,981	\$4,062,582

### Transamerica has the experience to help

For many reasons, purchasing a U.S. life insurance policy may be attractive to your foreign national clients. Talk to us about how you can help these clients create a solid financial foundation and protect their legacy using life insurance today.

<sup>1</sup> Loans, withdrawals, and death benefit accelerations will reduce the policy value and the death benefit and may increase lapse risk. Policy loans are tax-free provided the policy remains in force. If the policy is surrendered or lapses, the amount of the policy loan will be considered a distribution from the policy and will be taxable to the extent that such loan plus other distributions at that time exceed the policy basis.

<sup>2</sup> Clients may access the policy’s cash value to receive tax-free supplemental income when needed, as long as the policy is not a modified endowment contract (MEC).

**When it comes to preparing for the future,  
there's no time like the present.**

**Let's get started today.**



Visit  
**[transamerica.com](https://transamerica.com)**

The *Transamerica Financial Foundation IUL® II* (Policy Form ICC24 TPIU12IC-0224) and *Transamerica Financial Choice IUL<sup>SM</sup> II* (Policy Form ICC24 TPIU11IC-0224) are index universal life insurance policies issued by Transamerica Life Insurance Company, Cedar Rapids, Iowa. Policy form numbers may vary, and these products may not be available in all jurisdictions.

**Not available in New York.**



4177979  
©2025 Transamerica Corporation. All Rights Reserved.

**For Agent Use Only. Not for Use With the Public.**